

## MEMORANDUM

TO: Municipal Leaders of the Proposed CUHSA  
FROM: Laberge Group  
DATE: January 21, 2010  
RE: Draft Overview of Model for Chemung County Shared Highway Services

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### **INTRODUCTION**

The following is a summation of the proposed Model for Chemung County Shared Highway Services for discussion purposes only. It provides highlights of the model's components and the areas of potential savings that the consultants have identified to date. The recommendations of the consultant team are based upon a combination of existing conditions analysis, research, and stakeholder input. Existing conditions were identified through an exhaustive inventory of personnel, equipment, and facilities. The fiscal and legal basis for providing highway services in a consolidated manner were highlighted in a subsequent document through the analysis of comptroller data as well as state and local highway law. Preliminary models for sharing services were based on effective models used in similar communities. In addition, stakeholder input, in the form of Steering Committee meetings, Department Head Questionnaires, and Stakeholder Interviews, were crucial for identifying potential opportunities for future sharing and intermunicipal cooperation. Through interaction with department heads and public officials, many common themes were identified for potential shared highway services. The information obtained through these efforts formed the basis for the recommendations developed as part of this planning process. It should be noted that additional sharing of highway services has already begun as a byproduct of the process.

The information contained in this memo should be considered an overview. The detailed analyses, which include the Inventory and Analysis, Interim Recommendation Report, Equipment Analysis, Facilities Analysis, Financial Analysis, and Legal Issues Memo, are contained in separate documents. Each supporting document is a "work in progress" and will be finalized as further data is compiled and analyzed. A final report will be provided when the analysis, recommendations, and implementation steps are complete.

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### **OVERVIEW OF THE PROPOSED MODEL FOR SHARED HIGHWAY SERVICES**

The *Chemung County Highway Services Study* sets out an alternative model for providing highway services in Chemung County that will improve efficiencies and maintain an acceptable level of service on the county and local road networks. This plan describes how the municipal highway departments in Chemung County can work together to meet the current and future challenges of the economic climate, without reducing highway services and sacrificing each community's quality of life. In order to increase the efficiency of service provision, potentially expand and improve highway services, and lower or

maintain the cost of services, it is recommended that Chemung County and the local municipalities adopt a new model for highway service delivery. The new model includes three main components. Each of the three components can be implemented separately; however, the greatest efficiencies can be realized through a combination of the three:

- 1) The consolidation of the local units of highway service delivery between Chemung County, the City of Elmira, the Villages of Elmira Heights and Horseheads, and the Towns of Horseheads and Elmira to form a unified Consolidated Urban Highway Services Area (CUHSA).
- 2) The centralization of certain common and specialized services.
- 3) The decentralization of certain highway services to provide improved local road maintenance and realize economies of scale.

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## SUMMARY OF THE RECOMMENDATION

### Component 1: Establish the Consolidated Urban Highway Services Area

#### *Service Delivery Recommendations*

- *Merge all highway services and resources in Chemung County, the City of Elmira, the Towns of Horseheads and Elmira, and the Villages of Horseheads and Elmira Heights under the Chemung County Director of Public Works.*
- *Create a Consolidated Urban Highway Services Advisory Council (CUHSAC) with a representative of each participating municipality to provide equal opportunities for input and coordination for all affected municipalities. This council will be advisory in nature, not supervisory.*
- *Create a multi-year operation plan to be approved by CUHSA municipalities.*

#### *Personnel Recommendations*

- *Appoint a temporary Shared Services Coordinator responsible for managing the merger of the highway departments in the CUHSA. Each municipality will approve an individual capital plan and operation plan that will guide local services. The County Executive is recommended to serve as the day-to-day supervisor of this position.*
- *Initiate a new collective bargaining agreement for all municipalities in the CUHSA. It is recommended that job classifications be standardized during the negotiation process to allow for flexibility within job titles. Pay equity and benefits will also need to be standardized to match those of County employees with comparable skills and experience.*
- *Conduct a Labor Force Utilization Analysis to determine how existing staff time should best be utilized in the alternative model of highway service provision. The analysis will also help to indicate where future hiring may be necessary, how staff resources can be reallocated, and where staffing changes can be made through attrition.*

- *Merge and reallocate personnel among existing facilities. Redeploy underutilized staff through reassignment to centralized services, early retirement, or negotiation of severance packages.*
- *Opportunities for improved efficiencies exist for consolidation of water districts within the CUHSA. For example, the Elmira Water Board or the Big Flats Water District could potentially absorb personnel and the responsibilities of maintaining the Village of Horseheads' Water District. Research on this topic is in progress.*

#### ***Equipment Recommendations***

- *Consolidate equipment inventory to create a shared pool of equipment for the CUHSA.*
- *Prioritize services and establish the amount of equipment necessary to provide consolidated highway services in accordance with taxpayer demand and highway personnel capabilities. The amount of equipment required can be determined through an Equipment Utilization Analysis or the application of industry standards.*
- *Use surplus equipment to offset purchases listed on individual purchasing plans and delay other planned equipment purchases until the CUHSA municipalities can better determine what types of equipment will best suit the needs of the proposed model.*
- *Sell surplus equipment or redeploy to the centralized motor pool.*

#### ***Facility Recommendations***

- *Deploy highway services for the CUHSA from the existing Chemung County and City of Elmira DPW facilities. Coordinate renovation and expansion of facilities to accommodate additional office space, equipment, materials storage, and maintenance areas.*
- *Consider the closure of the Village of Elmira Heights and the Village of Horseheads facilities given that neither is strategically located or adequately equipped to support consolidated services.*
- *Utilize the highway facilities in the Towns of Horseheads and Elmira in a limited capacity to support the CUHSA. The Elmira West facility should be used as a salt re-load site during winter months and the existing fuel island should be maintained for seasonal refueling needs. The Elmira East and the Town of Horseheads facilities should be considered for closure, but their sites should be utilized as sand/salt mix storage sites for the reloading of trucks that will service the rural roads of these towns and the rural County roads.*

#### ***Institutional Arrangement Recommendations***

- *Utilize a general-purpose government rather than a special-purpose government or special district.*

### **Funding Recommendations**

- *Adopt a similar funding paradigm with a mix of local property taxes, sales taxes, and (to a much lesser degree) user fees to be supplemented by general state highway aid and project-specific federal funding.*
- *Any future geographic expansion of the highway infrastructure should be financed by the new users added to the system.*
- *Services that are only available to certain users are recommended to have a user fee system structured to ensure that residents do not pay for services that they do not receive. The involved municipalities could feasibly negotiate an individual contractual intermunicipal agreements with Chemung County to ensure that the operations and maintenance of these specialized services are provided.*

## **Component 2: Countywide Centralization of Common and Specialized Services**

### **Service Delivery Recommendations**

- *Centralize those services that are common, specialized, and/or available countywide with an initial focus on expanding engineering services, bridge and large culvert maintenance, sign fabrication and installation, tree removal, guiderail installation, pavement marking, pesticide application, and safety training.*
- *Establish a Centralized Highway Services Advisory Committee (CHSAC) comprised of Highway Superintendents to coordinate and provide input on the types of centralized services to be provided. This committee will be advisory in nature and does not provide a supervisory role.*
- *Develop a uniform, user-friendly system for tracking shared services, equipment, and personnel between municipalities across Chemung County.*
- *Create a database of capital improvement plans, equipment needs, and purchasing plans to facilitate future motor pool purchases.*
- *Consider the future expansion of Equipment Services, Engineering Services, Traffic Services, Structures Services, Special Roadwork Services, Administrative Services, and Safety Services.*

### **Personnel Recommendations**

- *Utilize displaced personnel from the CUHSA to operate centralized services. Following the Labor Force Utilization Analysis, opportunities for crossover between the CUHSA and centralized services may be identified.*

### **Equipment Recommendations**

- *Create an equipment inventory for the provision of specialized services. The equipment inventory for the provision of these services could be purchased from the surplus supply of the CUHSA or from the municipalities that currently provide a particular service (i.e. pesticide application equipment from the Town of Southport). More specialized equipment for services not currently*

*provided in Chemung County may need to be purchased from an outside source with costs shared or allocated based on use.*

- *Create a limited central motor pool to be available to all participating municipalities. The motor pool could be stocked through the purchase of surplus equipment from the CUHSA or joint purchases.*

#### **Facilities Recommendations**

- *Deploy main centralized services from the existing Chemung County and City of Elmira DPW facilities. Each facility will require renovation and expansion. However, certain specialized services may be deployed from town locations.*

#### **Institutional Arrangement Recommendations**

- *Utilize a general-purpose government rather than a special-purpose government or special district.*

#### **Funding Recommendations**

- *Adopt a similar funding paradigm as recommended for the CUHSA, with a mix of local property taxes, sales taxes, and (to a much lesser degree) user fees to be supplemented by general state highway aid and project-specific federal funding.*
- *Any future geographic expansion of the highway infrastructure should be financed by the new users added to the system.*
- *Centralized services will be funded primarily through charges and fees. Charges and fees from other governments for highway services are measurable, therefore, they are a promising source of funding for highway services provided by one government to another government.*

#### **Cost Allocation**

There are generally four ways that Chemung County municipalities could allocate cost among municipalities to provide centralized or urban/suburban/rural highway services:

- ***Equal allocation:*** *Best for arrangements where service integration is minimal, and costs and benefits of the shared service are evenly spread across partners.*
- ***Proportional allocation:*** *Well suited for shared services where municipalities are of similar size and have a relatively equal cost structure and demand for services.*
- ***Usage-based allocation:*** *Billing for services at agreed upon rates; the most common way costs are apportioned in inter-governmental shared services agreements.*
- ***Weighted allocation:*** *Similar to the proportional allocation, but uses multiple variables to compute a score which provides a more accurate estimation of benefits accruing to each municipality.*

### **Component 3: Decentralization of County Road Maintenance to the Rural Towns**

#### ***Service Delivery Recommendations***

- *The County would contract with local highway departments through intermunicipal agreements for routine winter and/or summer maintenance and repair of County roads. Decentralized services could include snow and ice removal, roadside mowing, brush cutting, pothole patching, ditching.*

#### ***Personnel Recommendations***

- *The localities will provide all personnel necessary to take on the maintenance of additional County road mileage. Additional staff can be hired to support this service if necessary and funded through IMA purchase of services.*

#### ***Equipment Recommendations***

- *The localities will provide all equipment and vehicles necessary to take on the maintenance of additional County road mileage. Additional equipment can be purchased or leased from the County to support this service if necessary.*

#### ***Facility Recommendations***

- *The localities will operate decentralized services out of their existing facilities.*

#### ***Institutional Arrangement Recommendations***

- *Utilize a general-purpose government rather than a special-purpose government or special district.*

#### ***Funding Recommendations***

- *Base funding upon individual intermunicipal agreements. The County could potentially provide all materials for the projects with the localities providing personnel, vehicles, and equipment. All towns do not have to participate for this service to be successful. The cost of all materials would be included in the lane mile reimbursement to each municipality. Various functional models exist in other counties (e.g. Oneida, Monroe, Jefferson, St. Lawrence, and Ulster Counties).*